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Attorneys for Defendants LEE'S GENERAL TOYS,
 INC., JOHN LEE, SANDY LEE, AND DOUBLE
 BARGAIN, INC.

IN THE UNITED STATES DISTRICT COURT
 FOR THE SOUTHERN DISTRICT OF CALIFORNIA

GEORGIA-PACIFIC CONSUMER
 PRODUCTS LP, a Delaware limited
 partnership,

Plaintiff,

v.

LEE'S GENERAL TOYS, INC., a California
 corporation, JOHN LEE, an individual,
 RUNHUI PAPER CO., LTD., a Chinese
 Corporation, SHANTOU KID TOYS CO.,
 LTD., a Chinese Corporation, SANDY LEE,
 an individual, DOUBLE BARGAIN, INC., a
 California corporation, and DOES 5-100,

Defendants.

Civil Action No. 07-CV-02391 JAH POR

**STIPULATED PERMANENT
 INJUNCTION WITH RESPECT TO
 DEFENDANTS LEE'S GENERAL TOYS,
 INC., JOHN LEE, SANDY LEE, AND
 DOUBLE BARGAIN, INC.**

RECITALS

WHEREAS, on June 27, 2008, Plaintiff Georgia-Pacific Consumer Products LP (“Georgia-Pacific”) filed its Second Amended Complaint in this action, for trademark infringement, false advertising, and related claims against Lee’s General Toys, Inc., John Lee, Sandy Lee, and Double Bargain, Inc. as Defendants (hereinafter “Defendants”), among others, for Defendants’ manufacturing, importing, distributing, shipping, advertising, marketing, promoting, selling, or offering to sell “Angelite,” “Angel Lite,” or “Angelito” bathroom tissue products or bathroom tissue products bearing similar marks or images;

WHEREAS, Georgia-Pacific and Defendants have agreed to a settlement of this action. As part of that settlement, the parties hereby stipulate to entry of this Stipulated Permanent Injunction.

STIPULATION

Georgia-Pacific and Defendants agree, and hereby stipulate and jointly request an order from this Court stating that:

1. Defendants, including any subsidiaries, parent and affiliated companies, successors, assigns, officers, directors, representatives, distributors, wholesalers, retailers, licensees, agents, partners and employees, and all those acting in concert or participation with Defendants, shall, in connection with the importing, manufacturing, selling, offering to sell, advertising, marketing, or promoting of consumer paper products (*e.g.*, bathroom tissue, facial tissue, paper napkins or paper towel products), or any other activity relating to such products:

- a. Refrain from use of all marks, words, or names similar to U.S. Trademark Registration Numbers 781,414; 1,172,215; 1,639,710; 2,512,417; 2546897; 2695751; 2841759; 2912982; 2972819; 2989711; and 3,142,125 (collectively referred to herein as the ANGEL SOFT Trademarks”), including but not limited to “Angelite,” “Angel Lite,” “Angelito,” or any other marks, words, pictures, or names similar to the ANGEL SOFT Trademarks or incorporating the word

1 “angel,” or associated with angels in any fashion, or any designs, logos, or any
2 other visual depictions of a baby or child or a confusingly similar design of a baby
3 or child;

4 b. Remove all marks, words, pictures, logos, or names similar to the ANGEL SOFT
5 Trademarks, including but not limited to “Angelite,” “Angel Lite,” “Angelito,” or
6 any other marks, words, pictures, or names similar to the ANGEL SOFT
7 Trademarks or incorporating the word “angel,” or associated with angels in any
8 fashion, or any designs, logos, or any other visual depictions of a baby or child or
9 a confusingly similar design of a baby or child, from the labels of inventory, and
10 any signs, wrappers, boxes, cartons, packages, or receptacles associated with
11 consumer paper products currently held by Defendants, and refrain from such
12 uses in the future;

13 c. Destroy any labels, signs, wrappers, boxes, cartons, packages, or receptacles
14 bearing marks, words, pictures, or names similar to the ANGEL SOFT
15 Trademarks, including but not limited to “Angelite,” “Angel Lite,” “Angelito,” or
16 any other marks, words, pictures, or names similar to the ANGEL SOFT
17 Trademarks or incorporating the word “angel,” or associated with angels in any
18 fashion, or any designs, logos, or any other visual depictions of a baby or child or
19 a confusingly similar design of a baby or child, for which such marks, words,
20 pictures, or names cannot be removed;

21 d. Remove all references to “Angelite,” “Angel Lite,” “Angelito,” or any other
22 marks, words, pictures, or names similar to the ANGEL SOFT Trademarks or
23 incorporating the word “angel,” or associated with angels in any fashion, or any
24 designs, logos, or any other visual depictions of a baby or child or a confusingly
25 similar design of a baby or child, from all advertisements, marketing materials,
26 printed materials, and any website that Defendants control or maintain, and
27 refrain from such uses in the future;
28

- e. Remove all references to “Angelite,” “Angel Lite,” “Angelito,” or any other marks, words, pictures, or names similar to the ANGEL SOFT Trademarks or incorporating the word “angel,” or associated with angels in any fashion, or any designs, logos, or any other visual depictions of a baby or child or a confusingly similar design of a baby or child, in the metatags of any website that any Defendants control or maintain, and refrain from such uses in the future;
 - f. Refrain from (a) filing any applications to register, (b) reviving any applications to register, (c) opposing any applications by Georgia-Pacific to register, or (d) reviving any opposition related to registering in any state(s), countries, territories, or commonwealths, trademarks, service marks, or copyrights comprised of or incorporating “Angelite,” “Angel Lite,” “Angelito,” or any other confusingly similar mark to the ANGEL SOFT Trademarks, including any marks, words, pictures, or names incorporating the word “angel” or associated with angels, or any designs, logos, or any other visual depictions of a baby or child or a confusingly similar design of a baby or child, for consumer paper products; and
 - g. Take all steps necessary to abandon its application to federally register the ANGELITO mark (Ser. No. 77/109,596) and to cancel California state trademark registration Number 109437 for the mark ANGEL LITE 500 in a stylized design format.
2. Defendants’ sales and distribution, and only that of the Defendants, of the Soft & Silky and Sofitelle brands of bathroom tissue, as depicted here, are expressly excluded from this

Injunction:



3. The Stipulated Permanent Injunction agreed to by Georgia-Pacific and Defendants, upon approval by this Court, shall have the force and effect of a permanent injunction entered by the Court following a fully contested trial on the merits. This Court shall have jurisdiction over the enforcement of this Stipulated Permanent Injunction, and shall have jurisdiction to make any orders or findings necessary to effectuate and enforce this Stipulated Permanent Injunction, including the authority to award damages and civil penalties for any violation of this Stipulated Permanent Injunction.

4. Any party that violates the terms of this Stipulated Permanent Injunction shall be liable for attorneys' fees related to the enforcement of the same.

5. This Stipulated Permanent Injunction shall be binding upon and inure to the benefit of the parties, and their successors and assigns.

6. The parties also hereby waive findings of fact and conclusions of law, or any requirement for a more specific or detailed order imposed by Federal Rule of Civil Procedure 65(d), other statutory, or common law, and by their signatures set forth below, acknowledge Notice of Entry of this Stipulated Permanent Injunction.

The signatories to this Stipulated Permanent Injunction warrant that that they have authority to bind their respective parties to the terms herein.

Dated: June 27, 2008

LATHAM & WATKINS LLP

By: /s/ Stephen P. Swinton
 Stephen P. Swinton
 Attorneys for Plaintiff
 Georgia-Pacific Consumer Products LP
 E-mail: steve.swinton@lw.com

Dated: June 27, 2008

HANEY BUCHANAN & PATTERSON LLP

By: /s/ Steven H. Haney (with permission)
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 Attorneys for Defendants
 Lee's General Toys, Inc., John Lee, Sandy Lee,
 and Double Bargain, Inc.
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